



Hawaii Public Housing Authority  
State of Hawaii

## RFP PMB-2011-05

Request for Proposals for Property Management and  
Maintenance Services for the Affordable Rental Housing  
Complex Known as Ke Kumu Ekahi on the Island of Hawaii

*Note: If this Request for Proposals (RFP) was downloaded from the Hawaii Public Housing Authority's website, each interested offeror must provide the necessary contact information to the listed RFP Coordinator to be notified of any changes. For your convenience, you may download the RFP Sign-In, complete and email, fax or mail to the RFP Coordinator. The HPHA shall not be responsible for any missing addenda, clarifications, attachments or other information regarding this RFP if a proposal is submitted from an incomplete RFP.*

Issued February 17, 2011



Notice to Offerors  
(Chapter 103D, Hawaii Revised Statutes)

REQUEST FOR PROPOSALS (RFP) No. RFP PMB-2011-05

Notice is hereby given that pursuant to Chapter 103D, Hawaii Revised Statutes (“HRS”), the Hawaii Public Housing Authority (“HPHA”), will be accepting sealed proposals for: **Property Management and Maintenance Services for the Affordable Rental Housing Complex Known as Ke Kumu Ekahi on the Island of Hawaii.**

The Request for Proposals may be picked up at the Contract & Procurement Office on Oahu located at 1002 North School Street, Building D, Honolulu, Hawaii 96817 beginning February 17, 2011. Interested offerors must be licensed in the State of Hawaii to manage real property and have experience in managing affordable rental housing complexes.

The HPHA’s Contract & Procurement Office will conduct a Pre-Proposal Conference from 10:00 a.m. to 11:00 a.m. Hawaii Standard Time (HST) and a site inspection at approximately 11:15 a.m. (HST) on March 2, 2011 at Ke Kumu Ekahi, 68-3520 Ke Kumu Place, Waikoloa, Hawaii 96738. The HPHA strongly recommends that all interested offerors attend.

Sealed proposals will be received at HPHA’s Contract & Procurement Office at 1002 N. School Street, Bldg D, Honolulu, Hawaii 96817 until 4:00 p.m. HST, March 24, 2011. Electronic mail and facsimile transmissions shall not be accepted. The official time shall be that which is recorded on the time stamp clock of the HPHA for hand-delivered proposals. Deliveries by private mail services, such as Federal Express, shall be considered hand deliveries. All mail-in proposals delivered/postmarked by USPS **must be received** no later than March 24, 2011.

The HPHA reserves the right to reject any or all proposals and to accept the proposals in whole or part in the best interest of the State. Questions relating to this solicitation shall be directed to Rick Sogawa at (808) 832-6038.

HAWAII PUBLIC HOUSING AUTHORITY

Denise M. Wise  
Executive Director



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# **Section 1**

## **Administrative Overview**

# **Section 1**

## **Administrative Overview**

### **I. Authority**

The Hawaii State Legislature established the Hawaii Public Housing Authority (hereinafter “HPHA”) under Chapter 356D, Hawaii Revised Statutes (“HRS”). The HPHA consolidates all low income housing and homeless functions and is administratively attached to the Department of Human Services. The HPHA is a public body and a body corporate and politic of the State of Hawaii. The HPHA’s role is to address the housing needs of families in Hawaii. The HPHA seeks to competitively procure property management and maintenance services for the affordable rental housing project known as Ke Kumu Ekahi in Waikoloa, Hawaii.

A determination has been made that the HPHA is unable to secure services through a low bid process. Factors included in the determination were 1) Price is not the primary consideration in determining an award; 2) The resulting Contract needs to be other than a fixed-price type; 3) The specifications for the services cannot be sufficiently described through a low bid process; 4) Oral or written discussions need to be conducted with interested offerors concerning their proposals; 5) Interested offerors may need to revise their proposals, including price; and 6) The award needs to be based on a comparative evaluation in order to determine the most advantageous offering to the State. To that end, a low bid process is not practicable to the State to secure property management and maintenance services for Ke Kumu Ekahi.

This Request For Proposals (hereinafter “RFP”) is issued under the provisions of Chapter 103D, HRS, the related administrative rules, and the United States Department of Housing and Urban Development (hereinafter “HUD”). Interested offerors are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a valid executed proposal by any interested offeror shall constitute admission of such knowledge on the part of such interested offeror.

### **II. RFP Organization**

This RFP is organized into five (5) sections:

- Section 1      Administrative Overview – Provides interested offerors with an overview of the procurement and contracting process.
- Section 2      Scope of Work and Specifications – Provides interested offerors with a general description of the tasks to be performed, delineates interested offeror’s responsibilities, and defines deliverables (as applicable).
- Section 3      Proposal Form and Instructions – Describes the required format and content for the proposal.
- Section 4      Proposal Evaluation & Award– Describes how the proposals will be evaluated by the HPHA.
- Section 5      Attachments

### **III. Contracting Office**

The Contracting Office is responsible for overseeing the procurement and issuing the Contract resulting from this RFP. The Contracting Office is:

Hawaii Public Housing Authority  
Contract and Procurement Office  
1002 North School Street, Bldg. D  
Honolulu, Hawaii 96817

Telephone: (808) 832-6038

For the purpose of this solicitation, the RFP Coordinator or his/her designated representative is listed below:

Rick Sogawa  
Hawaii Public Housing Authority  
Contract and Procurement Office  
1002 North School Street, Bldg D  
Honolulu, Hawaii 96817

Telephone: (808) 832-6038  
Fax: (808) 832-6039

Email: [rick.t.sogawa@hawaii.gov](mailto:rick.t.sogawa@hawaii.gov)

The HPHA reserves the right to change the RFP Coordinator without prior written notice.

The Property Management and Maintenance Services Branch (PMMSB) is the office responsible for administering and monitoring the Contract. The designated Contract Administrator or his/her designated representative is responsible for monitoring the activities performed under the Contract and is designated as follows:

Phyllis Ono  
Hawaii Public Housing Authority  
Property Management and Maintenance Services Branch  
1002 North School Street, Bldg. E  
Honolulu, Hawaii 96817

Telephone: (808) 832-4687

Any changes to the Contract Administrator or his/her designated representative shall be provided in writing to the Successful Offeror. The HPHA reserves the right to make changes to the Contract Administrator. Once the Successful Offeror has assumed management responsibilities for Ke Kumu Ekahi, all communications regarding approvals, reports, and requests will be directed to the Contract Administrator.

### **IV. Procurement Timeline**

<u>Activity</u>	<u>Scheduled Dates</u>
Public notice announcing RFP	February 17, 2011
Distribution of proposal specs/proposal form	February 17, 2011

Pre-Proposal Conference and Site Visitation	March 2, 2011
Deadline to submit written inquiries	March 10, 2011
State response to written inquiries	March 17, 2011
Proposal submittal deadline	March 24, 2011
Proposal review	March – April 2011
Notice of award	April 2011
Contract execution	May 2011
Start of services	May 31, 2011, 12:01 p.m.

The HPHA reserves the right to amend or revise the timetable, without prior written notice, when it is in the best interests of the State.

## **V. Pre-Proposal Conference and Site Inspection**

The Contract & Procurement Office will conduct a Pre-Proposal Conference from 10:00 a.m. to 11:00 a.m. Hawaii Standard Time (HST) at Ke Kumu Ekahi, 68-3520 Ke Kumu Place, Waikoloa, Hawaii 96738 and as site inspection at approximately 11:15 a.m. HST on Wednesday, March 2, 2011. The HPHA strongly recommends that all interested offerors attend.

Prior to submittal of a proposal, it is highly recommended that interested offerors inspect the complex to familiarize themselves with existing conditions, and the extent and nature of work to be performed. No additional compensation will be allowed by reason of any misunderstanding or error regarding site conditions, project layout or work to be performed.

Impromptu questions will be permitted at the Pre-Proposal Conference and site inspection and verbal answers provided. Verbal answers provided by the HPHA are not binding and only intended for general direction purposes. Written formal official responses to substantive questions will be provided in writing to each interested offeror as set forth in Section VI herein below no later than March 17, 2011. Any changes required will be issued as an addendum to this RFP.

## **VI. Submission of Questions**

Interested offerors may submit questions to the RFP Coordinator identified in Section 1 of this RFP. The deadline for submission of written questions is 4:30 p.m. HST, on March 10, 2011. All written questions will receive a written response from the HPHA. The HPHA does not guarantee receipt of questions submitted via electronic mail. The HPHA's responses to interested offeror's written questions will be sent no later than March 17, 2011.

## **VII. Submission of Sealed Proposals**

- A. **Forms/Formats.** Proposal forms and formats such as price proposal are included in Section 5 – Attachments of this RFP.



Interested offerors shall also follow the U.S. Department of Housing and Urban Development's Instructions to Offerors Non-Construction form HUD 5369-B and Certifications and Representations of Offers Non-Construction Contract, form HUD 5369-C. The instructions can be downloaded from HUD Clips at [www.hudclips.org](http://www.hudclips.org) and is an attachment to this proposal. See Attachments 16 and 17.

- B. **Proposal Submittal.** Proposals must be postmarked by United States Postal Service (USPS) or hand delivered by the date and time designated in this RFP. Any proposals post-marked or received after the designated date and time shall be rejected. **Electronic submissions such as electronic mail and facsimile transmissions shall not be accepted.**

The register of proposals and proposals shall be open to public inspection after the award of the Contract.

- C. **Pre-opening Modification or Withdrawal.** Proposals may be modified or withdrawn prior to the deadline for submittal of proposals by submitting a written letter to modify or withdraw the proposal. All requests for modifications shall be sealed, accompanied by the actual modifications to the proposals and signed by an authorized representative.

The written request must be submitted to the HPHA, Contract and Procurement Office, 1002 North School Street, Bldg D, Honolulu, Hawaii 96817 and time stamped by the HPHA. Modifications and/or withdrawals shall be clearly marked and must be received by the HPHA no later than 4:00 p.m. HST on March 24, 2011.

- D. **Wages and Labor Law Compliance.** Prior to entering into a Contract in excess of \$25,000, an interested offeror shall certify that it complies with section 103-55, HRS, Wages, hours, and working conditions of employees of Successful Offeror(s) performing services. Section 103-55, HRS provides that the services to be performed shall be performed by employees paid at wages not less than wages paid to public officers and employees for similar work. Interested offerors are further advised that in the event of an increase in wages for public employees performing similar work during the period of the Contract, the Successful Offeror shall be obligated to provide wages not less than those increased wages.

Interested offerors shall complete and submit the attached Wage Certification certifying that the services required will be performed pursuant to section 103-55, HRS. See Attachment 13.

The Successful Offeror shall be further obligated to notify its employees performing work under this Contract regarding the provisions of section 103-55, HRS, and the current wage rates for public employees performing similar work.

The Successful Offeror may meet this obligation by posting a notice to this effect in the Successful Offeror's place of business in an area accessible to all employees.

Interested offerors are strongly encouraged to account for salary increases as posted by the State Department of Labor and Industrial Relations at <http://www.hawaii.gov/hrd/main/eccd>. **The HPHA will consider requests for increases as a result of wage increases to public officers and employees during the contract period or any option period that are not published.** At the release of this solicitation, the effective wages through March 1, 2009 for State employees performing similar work have been published by the DHRD. It is the sole responsibility of the Successful Offeror to comply with section 103-55, HRS.

NOTE: This is a change from previous RFPs and contracts where a Contractor would be allowed to request an increase during the Contract period due to an increase in similar wages.

If wages increase after the execution of the Contract, the Successful Offeror may request an increase in Contract price in order to correspondingly increase the wages of the offeror's employees performing the work, including any increase in costs for benefits required by law that are automatically increased as a result of increased wages, such as federal old age benefits, workers' compensation, temporary disability insurance, unemployment insurance, and prepaid health insurance.

The Successful Offeror shall not be paid for any reimbursement of retroactive pay negotiated by the State. The Successful Offeror's request for the increase must meet the following criteria:

1. At the time of the offer, if the Successful Offeror's hourly wage rate is greater than the prevailing State wage, the Successful Offeror's requests for increase will not be considered.
2. At the time of the request, the Successful Offeror must or must have provided documentation to show that it is in compliance with section 103-55, HRS, (i.e. its employees are being paid no less than the known wage of the State position listed herein). Documentation shall include the employees payroll records and a statement that the employees are being utilized for this Contract.
3. Request for an increase must be made in writing to the HPHA on a timely basis:
  - i. Request for increase for the initial Contract period must be made as soon as practicable after the State wage agreements are made public. Approved requests will be retroactive to the date of increase for the State employees with adequate documentation that the Successful Offeror provided its employees a wage increase.

- ii. Request for increase for an option period of the Contract must be made prior to the start of the option period. To obtain the current wage information download the information from the Department of Human Resource Development's website at the following address:

<http://www.hawaii.gov/hrd/main/HRDInfoCentral/DocCentral/SalarySchedules>

- E. **Confidential Information** – If an interested offeror believes that any portion of a proposal contains information that should be withheld as confidential, the interested offeror shall request in writing nondisclosure of designated proprietary data to be confidential and provide justification to support confidentiality. Such data shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal documents to facilitate eventual public inspection of the non-confidential sections of the proposal documents. Note that **price and the provision of the minimum required services is not considered confidential** and will not be withheld.

Interested offerors that chose to identify portions of their proposal as confidential, shall be responsible to ensure that the minimum services are not included. The HPHA will not make any determination of confidentiality for the interested offeror.

If a proposal is marked confidential in its entirety, the HPHA will not make a determination of confidentiality and will refer the request for information to the State's Office of Information Practices.

- F. **Exceptions** – Interested offerors shall list any exceptions taken to the terms, conditions, specifications, or other requirements listed herein. Interested offerors must reference the RFP section where the exception is taken, a description of the exception taken, and the proposed alternative, in any. The HPHA shall retain the right to grant exceptions to discretionary policies. Requests for exceptions to State, Federal, or local laws shall not be approved.
- G. Information shall be made confidential as permitted by law.

### **VIII. Discussion with Offerors Prior to Proposal Submission**

Discussions may be conducted with interested offerors to promote understanding of the HPHA's requirements.

### **IX. Opening of Proposals**

Upon receipt of proposals by the HPHA at the designated location, proposals, modifications to proposals, and withdrawals of proposals shall be date-stamped, and when possible, time-stamped. All documents so received shall be held in a secure place by the HPHA and shall not be examined for evaluation purposes until the submittal deadline. Procurement files shall be open to public inspection after a contract has been

awarded and executed by all parties. Sealed proposals shall not be opened at a public proposal opening.

**X. Additional Materials and Documentation**

Proposal samples or descriptive literature should not be submitted unless specifically requested within the RFP. Any unsolicited documentation, literature, samples, or brochures will not be examined or tested, and will not be deemed to vary any of the provisions of this RFP.

**XI. RFP Amendments**

The HPHA reserves the right to amend this RFP at any time prior to the closing date for the final revised proposals and/or before the award of a Contract. Interested offerors will be notified of the availability of amendments through verbal, electronic or written communication.

**XII. Additional Terms and Conditions**

The HPHA reserves the right to add terms and conditions during contract negotiations and discussions. These terms and conditions may be within the scope of the RFP and will not affect the proposal evaluation.

**XIII. Cancellation of the Request for Proposals**

The RFP may be canceled and any or all proposals may be rejected in whole or in part, when it is determined to be in the best interests of the State.

**XIV. Costs for Proposal Preparation and Verification**

Any costs incurred by interested offerors in preparing or submitting a proposal are the interested offeror's sole responsibility. Any costs incurred by the selected contractor prior to the execution of an agreement are not eligible for reimbursement.

Costs incurred in connection with the review, inspection and verification of information provided in the RFP shall be the interested offeror's sole responsibility.

**Interested offerors shall ensure that the HPHA is provided with the written authorization(s) necessary to verify information provided in the interested offeror's proposal.**

**XV. Mistakes in Proposals**

While interested offerors are bound by their proposals, circumstances may arise where a correction or withdrawal of proposals is proper. An obvious mistake in a proposal may be corrected or withdrawn, or waived by the interested offeror to the extent that it is not

contrary to the best interest of the purchasing agency or to the fair treatment of other interested offerors. Mistakes in proposals shall be handled as provided for in section 3-122, Hawaii Administrative Rules (HAR).

#### **XVI. Rejection of Proposals**

The HPHA reserves the right to consider as acceptable only those proposals submitted in accordance with the requirements set forth in this RFP and which demonstrate an understanding of the service specifications. Any proposal offering may be rejected without further notice if it is:

1. Determined to be unreasonable in price, including not only the total price of the proposal, but the prices for individual items as well;
2. Determined to offer a set of terms or conditions that are contradictory to the minimum requirements included in this RFP.

#### **XVII. Notice of Award**

Any Contract arising out of this solicitation is subject to the approval of the Department of the Attorney General as to form, and to all further approvals, as required by statute, regulation, rule, order or other directive.

The Successful Offeror shall receive a Notice of Award which will indicate that the Successful Offeror has been selected to provide property management and maintenance services under this RFP.

No work is to be undertaken by the Successful Offeror prior to the Contract commencement date. The HPHA is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Successful Offeror prior to the starting date.

Reference Responsibility of Offeror in section 3-122-112, HAR. Offeror shall produce documents to the procurement officer to demonstrate compliance with this section.

The Successful Offeror receiving award shall be required to enter into a formal written Contract. The General Conditions of the Contract are attached and minimum service specifications are included herein. See Attachment 10.

#### **XVIII. Protests**

Pursuant to HRS section 103D-701, an actual or prospective offeror who is aggrieved in connection with the solicitation or award of a Contract may submit a protest. An actual or prospective offeror may protest the solicitation or award of services only for a serious violation of procurement policies and operational procedures. Only the following matters may be protested:

- (1) A state purchasing agency's failure to follow procedures established by Chapter 103D of the Hawaii Revised Statutes;
- (2) A state purchasing agency's failure to follow any rule established by Chapter 103D of the Hawaii Revised Statutes; and
- (3) A state purchasing agency's failure to follow any procedure, requirement, or evaluation criterion in a request for proposals issued by the state purchasing agency.

The Notice of Protest shall be mailed by USPS or hand delivered to the head of the State Contracting Office conducting the protested procurement and the Procurement Officer who is conducting the procurement (as indicated below) within five (5) working days after the aggrieved person knows or should have known of the facts giving rise thereto; provided that a protest based upon the content of the solicitation shall be submitted in writing prior to the date set for receipt of offerors. Further provided that a protest of an award or proposed award shall be submitted within five (5) days after the posting of award of the contract. Delivery services other than USPS shall be considered hand deliveries and considered submitted on the date of actual receipt by the State Contracting Office. The notice of award letter(s), if any resulting from this solicitation shall be posted on the Procurement Reporting System on the State Procurement Office website at <http://www.hawaii.gov/spo2/source/>.

Head of State Purchasing Agency		Procurement Officer	
Name:	Denise M. Wise	Name:	Rick T. Sogawa
Title:	Executive Director	Title:	Acting Procurement Officer
Mailing Address:	P.O. Box 17907 Honolulu, Hawaii 96817	Mailing Address:	P.O. Box 17907 Honolulu, Hawaii 96817
Business Address:	1002 N. School St, Bldg E Honolulu, Hawaii 96817	Business Address:	1002 N. School St, D Honolulu, Hawaii 96817

#### **XIX. Availability of Funds**

The award of a Contract and any allowed renewal or extension thereof, is subject to allotments made by the Director of Finance, State of Hawaii, pursuant to Chapter 37, HRS, and subject to the availability of State and/or Federal funds.

#### **XX. Monitoring and Evaluation**

The Successful Offeror's performance under the Contract will be monitored and evaluated by the Contract Administrator or his/her designated representative, HUD, the HPHA's auditors, the Legislature, and/or other designated representatives.

Failure to comply with all material terms of the Contract may be cause for suspension or termination as provided in the General Conditions. See Attachment 10. The Successful

Offeror may be required to submit additional written reports, including a corrective action plan, in response to monitoring conducted by the HPHA. These additional reports shall not be considered a change to the scope of work and shall continue for the duration of time as deemed necessary by the HPHA.

The HPHA reserves the right to make periodic inspections of all facilities, records, files, etc. within Ke Kumu Ekahi to ensure that administrative policies and property management and program concerns are properly considered and adequately addressed. The HPHA will make available to the Successful Offeror all appropriate findings, which affect the management and maintenance of Ke Kumu Ekahi or its budget and advise the Successful Offeror of any corrective actions required.

The HPHA may conduct a review of financial activity for Ke Kumu Ekahi on a monthly basis to assess budget performance and to make budget adjustments. Special budget review sessions may be conducted by the HPHA, from time to time.

#### **XXI. General and Special Conditions of Contract**

The General Conditions that will be imposed contractually are included as an attachment. The State's General Conditions set forth in Attachment 10, may also be found on the State Procurement Office's (SPO) website at [www.spo.hawaii.gov](http://www.spo.hawaii.gov).

Special conditions may also be imposed contractually by the HPHA, as deemed necessary. The HPHA reserves the right to make small or major modifications to the scope of work or reporting requirements contingent upon conditions that it is unable to anticipate now.

#### **XXII. Cost Principles**

The HPHA shall utilize standard cost principles at section 3-123 HAR which are available on the SPO website. Nothing in this section shall be construed to create an exemption from any cost principle arising under federal law.

(END OF SECTION)

## **Section 2**

# **Scope of Work & Specifications**



## **Section 2**

### **Scope of Services**

#### **I. Introduction**

##### **A. Purpose or need**

The purpose of this RFP is to procure property management and maintenance services to manage, operate and maintain the affordable rental housing complex known as Ke Kumu Ekahi. The complex is a Low Income Housing Tax Credit and state Rental Assistance subsidized complex. This solicitation is designed to capture industry best practices and establish an owner-property manager relationship that more closely approximates similar arrangements common in the private sector. The HPHA expects this relationship will help streamline its operations, reduce costs, and provide improved services to the Hawaii families residing in its housing units.

The HPHA intends to focus on performance results through measurements including, but not limited to, occupancy rate, percentage of rent collection, and customer satisfaction. The HPHA expects the Successful Offeror to fully execute its business practices consistent with quality standards and will judge performance on the basis of outcome.

##### **B. Area of Service**

The Successful Offeror shall be required to provide property management and maintenance services for:

- Ke Kumu Ekahi, 68-3520 Ke Kumu Place, Waikoloa, Hawaii.

Attached is a description of the complex. See Attachments 1 and 2.

##### **C. Funding source and period of availability**

Funds are subject to appropriation by the State's Director of Finance and allocation by the Governor, State Legislature and/or the U.S. Department of Housing and Urban Development (HUD). Funding and period of availability may change upon notice by the HPHA.

It is understood that the Contract shall not be binding unless the HPHA can document that there is available an unexpended appropriation or balance of an appropriation over and above all outstanding contracts sufficient to cover the amount required by the Contract. Any Contract entered into as a result of this RFP is binding only to the extent that funds are certified as available and that the availability of funds in excess of the amount certified as available shall be contingent upon future appropriations or special fund revenues.

It has been determined that there are sufficient funds to pay for the initial term of the Contract. Pursuant to section 103D-315, HRS, the HPHA reserves the right to cancel the Contract when funds are not appropriate or otherwise made available to support continuation of performance in subsequent Contract periods. Nothing in this RFP shall be interpreted to mean that the State shall be liable to pay for services at the affordable rental housing complex known as Ke Kumu Ekahi with State funds.

## II. General Requirements

### A. Qualifying Requirements

1. The Successful Offeror shall comply with Chapter 103D, HRS Cost Principles for Purchase of Goods and Services. The Successful Offeror shall also comply with applicable Internal Revenue Service (IRS) rules.
2. The Successful Offeror must have no outstanding balances owing to the HPHA. Exceptions may be granted by the Executive Director of the HPHA for debts recently acquired and for debts which have a repayment plan approved by the Executive Director of the HPHA.
3. Interested offerors are advised that if awarded a Contract, the Successful Offeror must furnish proof of compliance with the requirements of section 3-122-112, HAR:
  - Chapter 237, HRS, tax clearance;
  - Chapter 383, HRS, unemployment insurance;
  - Chapter 386, HRS, workers' compensation;
  - Chapter 392, HRS, temporary disability insurance;
  - Chapter 393, HRS, prepaid health care; and
  - One of the following:
    - i. Be registered and incorporated or organized under the laws of the State of Hawaii (hereinafter referred to as a "Hawaii business"); or

**Hawaii business.** A business entity referred to as a "Hawaii business" is registered and incorporated or organized under the laws of the State of Hawaii. As evidence of compliance, the interested offeror shall submit a CERTIFICATE OF GOOD STANDING issued by the Department of Commerce and Consumer Affairs Business Registration Division (BREG). A Hawaii business that is a sole proprietorship, however, is not required to register with the BREG, and therefore not required to submit the certificate. A Successful Offeror's status as sole proprietor or other business entity and its business street address indicated on the interested offeror's transmittal form will be used to confirm that the interested offeror is a Hawaii

business.

- ii. Be registered to do business in the State of Hawaii. (hereinafter referred to as a “compliant non-Hawaii business”).

**Compliant non-Hawaii business.** A business entity referred to as a “compliant non-Hawaii business,” is not incorporated or organized under the laws of the State of Hawaii but is registered to do business in the State. As evidence of compliance, the Successful Offeror shall submit a *CERTIFICATE OF GOOD STANDING*.

The above certificates should be applied for and submitted to the HPHA as soon as possible. If a valid certificate is not submitted on a timely basis for award of a Contract, a proposal otherwise responsive and responsible may not receive the award.

#### 4. **Business Office**

The Successful Offeror shall have a permanent office in Hawaii from where it conducts business and where it will be accessible to telephone calls for complaints or requests that need immediate attention. An answering service is not acceptable. A permanent office location and phone number shall be stated in the interested offeror’s proposal.

#### 5. **Certifications of Eligibility**

Prior to award of a Contract, the Successful Offeror is required to submit the following documents to the HPHA to demonstrate compliance with State laws:

1. Tax Clearance, Form A-6;
2. Department of Labor and Industrial Relations, Application for Certificate of Compliance, Form LIR #27; and
3. Certificate of Good Standing issued by the Department of Commerce and Consumer Affairs Business Registration Division (BREG).

Alternately, the interested offeror may choose to use the Hawaii Compliance Express (HCE), which allows businesses to register online through a simple wizard interface at:

<http://vendors.ehawaii.gov/hce/splash/welcome.html>

The HCE provides the interested offeror with a “Certificate of Vendor Compliance” with current compliance status as of the issuance date, accepted for both contracting purposes and final payment. Interested offerors that elect

to use the new HCE services will be required to pay any annual fee of \$12.00 to the Hawaii Information Consortium, LLC (HIC).

#### **6. Indemnification**

The Successful Offeror shall defend, indemnify, and hold harmless the State of Hawaii, the HPHA, its elected and appointed officials, officers, and employees, from and against all liability, loss, damage, cost, and expense, including all attorneys' fees, and all claims, suits, and demands therefore, arising out of or resulting from the acts or omissions of the Successful Offeror or the Successful Offeror's officers, employees, agents or subcontractors.

#### **7. Insurance Requirements**

Within fifteen (15) days after award of this Contract and prior to the execution of a Contract, the Successful Offeror shall furnish the Contracting Officer certificate(s) of insurance as evidence of the existence of the following insurance coverage in amounts not less than the amounts specified. This insurance must be maintained during the entire performance period.

##### **i. Workers' Compensation**

The Successful Offeror shall carry Workers' Compensation insurance in such form and amount to satisfy, the applicable state Workers' Compensation Law. Workers' Compensation must be issued by an admitted carrier authorized to do business in the State of Hawaii. Workers' Compensation insurance premium expense for the Project personnel will be reimbursed by HPHA, up to the amounts submitted as part of the proposal.

##### **ii. Fidelity Bond**

The Successful Offeror shall obtain and maintain, during the entire duration of this contract, a fidelity bond at a minimum of \$500,000.00, or the minimum amount required by the applicable program, which shall cover all officers, employees, servants and students (if any) of the Successful Offeror and which shall protect the Successful Offeror against loss by reason of, including but not limited to, fraud, dishonesty, forgery, theft, larceny, embezzlement, or misappropriation or any other dishonest criminal or fraudulent act, wherever committed and whether committed directly or in connivance with others. The Successful Offeror shall furnish, at no cost or expense to HPHA, a certificate of such coverage, within thirty (30) days from the award of the Contract.

iii. Errors and Omissions

The Successful Offeror shall obtain and maintain errors and omissions (professional liability) coverage at its own expense at a minimum of \$1,000,000.00 per occurrence and \$2,000,000.00 annual aggregate.

iv. Liability Insurance

The Successful Offeror shall maintain the following minimum insurance limits and coverage:

<u>Coverages</u>	<u>Limits</u>
Commercial General Liability	\$2,000,000 single limits per occurrence for bodily injury and personal property damage
Personal Injury Liability	\$1,000,000.00 single limits per occurrence. \$2,000,000.00 for general aggregate
Automobile Insurance	Bodily injury liability limits of \$1,000,000.00 each person and \$1,000,000.00 per accident and property damage liability limits of \$1,000,000.00 per accident OR  \$2,000,000.00 combined single limit
Workers' Compensation as required by laws of the State of Hawaii	Insurance to include Employer's Liability. Both such coverages shall apply to all employees of the Successful Offeror and to all employees of sub-contractors in case any sub-contractor fails to provide adequate similar protection for all its employees

A certificate of insurance evidencing such insurance is required prior to commencement of services. The State of Hawaii, HPHA, shall be named as additional insured. The insurance policy required by this contract shall contain the following clauses:

- (a) "This insurance shall not be canceled, limited in scope of coverage or non-renewed until after thirty (30) days written notice has been given to the State of Hawaii, Hawaii Public Housing Authority

(HPHA), Property Management and Maintenance Services Branch, 1002 N. School Street, Bldg E, Honolulu, Hawaii 96817.”

- (b) “The State of Hawaii, the HPHA, its elected and appointed officials, officers, and employees are added as additional insured with respect to operations performed for the State of Hawaii and the HPHA.”
- (c) “It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy.”

The minimum insurance required shall be in full compliance with the Hawaii Insurance Code throughout the entire term of the Contract, including all Supplemental Contracts.

Upon execution of this Contract, the Successful Offeror agrees to deposit with the HPHA, certificate(s) of insurance necessary to satisfy the HPHA that the insurance provisions of this Contract have been complied with and to keep such insurance in effect and the certificate(s) therefore on deposit with the HPHA during the entire term of this Contract. Upon request of the HPHA, the Successful Offeror shall be responsible for furnishing a copy of the policy or policies.

Failure of the Successful Offeror to provide and keep in force such insurance shall be regarded as material default under this Contract, entitling the HPHA to exercise any or all of the remedies provided in this Contract for default of the Successful Offeror.

The procuring of such required insurance shall not be construed to limit the Successful Offeror’s liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, the Successful Offeror shall be obligated for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this Contract.

v. Other Additional Insurance

The Successful Offeror may, at its own expense, place additional insurance coverage for protection risks not insured by the HPHA subject to the HPHA's approval. Request for approval will include a description of the additional insurance coverage, premium and justification.

## **8. Real Estate Broker's License**

Pursuant to Chapter 467, HRS, Real Estate Brokers and Salesperson, the interested offeror must possess a valid real estate broker's license and employ a licensed principal broker. Interested offerors must submit evidence of said license.

## **9. Section 3 of the U.S. Housing Act of 1968**

The work performed under this Contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended 12 United States Code 1701u. The purpose of section 3 is to ensure that employment and other opportunities generated by HUD assistance covered by section 3, shall to the greatest extent feasible be directed to low- and very low-income persons, particularly those who are recipients of HUD housing assistance.

The Successful Offeror must certify that it is under no contractual or other impediment that would prevent it from complying with Volume 24 Code of Federal Regulations (CFR) Part 135 regulations. The Successful Offeror must also certify that any vacant position that is filled after the Successful Offeror is selected but before the Contract is executed was not filled to circumvent the Successful Offeror's obligations under Volume 24 CFR Part 135.

## **B. Type of Contract**

1. The Successful Offeror shall be required to execute an Agreement Based on Competitive Sealed Proposals for Goods and Services. See Attachments 4 – 9.

The Contract shall be on a reimbursement basis. All costs incurred must be supported by verifiable evidence that payment was made such as payroll records, invoices, receipts. The management fee shall be paid on a per occupied unit basis. No profit shall be allowed on project reimbursables, including, but not limited to, postage, letters, supplies, and facsimile and electronic mail transmissions.

Subsequent to the award and within ten (10) days after the prescribed forms are presented for signature, the Successful Offeror shall execute and deliver to the HPHA a Contract in the form included in this RFP in such number of counterparts as the HPHA may require.

The Successful Offeror will be required to enter into a formal written Contract with the HPHA in accordance with the laws, rules and regulations of the State of Hawaii. The stated requirements appearing elsewhere in this RFP shall become

part of the terms and conditions of this Contract as though incorporated into the Contract at length.

By submission of a proposal, interested offerors warrant and represent that they have read and are familiar with the contractual requirements set forth in the RFP, its attachments and addenda issued, the provisions of which are expressly incorporated into this RFP by reference as though fully set forth at length herein.

All proposals shall become the property of the HPHA. The Successful Offeror's proposal will be incorporated in the resulting Contract by reference.

## **2. Subcontracting**

No work or services shall be subcontracted or assigned without the prior written approval of the HPHA. No subcontract shall under any circumstances relieve the Successful Offeror of its obligations and liability under Contract with the HPHA. All persons engaged in performing the work covered by the Contract shall be considered employees of the Successful Offeror.

## **3. Contract Modification**

The Contract may be modified only by a written document signed by the HPHA and personnel authorized to sign Contracts on behalf of the Successful Offeror, as designated in the corporate resolution.

## **4. Additional Services and Fees**

For work not described in the Contract, the Successful Offeror and the HPHA shall negotiate for additional needed services and fees which may arise during the course of the Contract. Any agreement shall be in writing, executed by all parties, and shall be attached to the Contract as an amendment to expire at the same time as the original Contract or subsequent period.

## **5. Laws, Rules, Ordinances and Regulations**

Reference to Federal, State, City and County laws, ordinances, rules and regulations and standard specifications shall include any amendments thereto effective as of the date of the RFP.

## **6. Bonds**

No performance or payment bond is required.

### **C. Single or multiple contracts to be awarded**

☒ Single

☐ Multiple

☐ Single & Multiple



**D. Single or multi-term contracts to be awarded**

☒ Single term ( $\leq 2$  yrs)

☐ Multi-term ( $> 2$  yrs.)

Initial term of contract: 24 months

May 31, 2011, 12:01 p.m. – May 31, 2013, 12:01 p.m.

Length of each extension: Up to 12 months (may be less than 12 months when it is in the best interests of the State)

Maximum length of contract: 60 months

The initial period shall commence on the Contract start date. The following conditions must be met for an extension:

1. The Contractor experienced cost savings and has unexpended funds available that can be used to provide additional goods and services; or
2. The HPHA determines there is an ongoing need for the services and has funds to extend services not to exceed twelve (12) months at any given period. Contract extensions shall be awarded as agreed upon in the Primary Contract. Exceptions shall be granted upon satisfactory justification such as increase in cost of services or cost of living increase; and
3. A Supplemental Contract must be executed prior to expiration of the Primary Contract; and
4. The Contractor must obtain the HPHA approval in writing and a Notice to Proceed with the extension.

The option to extend the Contract will be at the sole discretion of the HPHA. The Contract shall be extended at the same rates as proposed in the original proposal unless price adjustments are provided herein. Submission of a proposal constitutes acknowledgement of the Successful Offeror that the Successful Offeror is able and willing to contract for services up to the maximum allowable length of the Contract. If the Successful Offeror is unwilling or unable to fulfill the maximum allowable contract, the HPHA reserves the right to assign the costs of procurement to any payments owed under the Contract.

The Successful Offeror shall provide the requested insurance information and a completed wage certificate. The Successful Offeror shall pay the State of Hawaii general excise tax and all other applicable taxes.

**E. Contract price adjustments (other than wage rate increases)**

Each proposal offered herein shall be firm for the period beginning May 31, 2011, 12:01 p.m. through May 31, 2013, 12:00 p.m.

Contract price adjustments shall be limited to liability insurance. The following conditions must be met for the HPHA to consider a price adjustment:

1. The Contractor provides adequate documentation of price increase, such as insurance policy statement; and
2. The Contractor provides explanation for allocating cost by complex; and
3. The increase shall not exceed five percent (5%) from the original price for each budget line item.
4. The request for increase must be reasonable and there must be a sufficient amount of funds available to support the increase.

### **III. CONTRACT MONITORING & REMEDIES**

#### **A. Monitoring**

1. The satisfactory provision of goods and services shall be monitored by the Contract Administrator. Performance will be monitored on an ongoing basis by the HPHA through desk monitoring, site inspection and/or other methods by the Contract Administrator and his/her designated representative(s).
2. Should the Successful Offeror fail to comply with the requirements of the Contract, the HPHA may request a written corrective action plan that shall include the corrective actions to be taken, a timeline for implementation, and the responsible parties. The HPHA will monitor the Successful Offeror for implementation of the corrective action plan. The HPHA reserves the right to request regular or additional reports on progress towards compliance with the Contract and the corrective action plan.
3. Should the Successful Offeror continue to fail to comply with the requirements of the Contract, the HPHA reserves the right to engage the services of another company to perform the services, to remedy the defect or failure and to deduct such costs from monies due to the Successful Offeror or to assess the Successful Offeror directly.
4. In the event the Successful Offeror fails, refuses, or neglects to perform the services in accordance with the requirements of this RFP, and the Contract, the HPHA reserves the right to purchase in the open market, a corresponding quantity of services, and to deduct this cost moneys due to the Successful Offeror. In case money due to the Successful Offeror is insufficient for this purpose, the Successful Offeror shall pay the difference upon demand by the HPHA. The HPHA may also utilize all other remedies provided under the Contract and by law and rules.
5. When the Successful Offeror is not performing the required services as contracted, the HPHA reserves the right to extend the Contract for intervals of less than twelve (12) months. During this time, the HPHA will monitor the Successful Offeror's performance and/or improvement and the implementation of its corrective action plan to determine whether the HPHA will continue to Contract with the current Successful Offeror.

## **B. Damages**

1. The HPHA may also withhold the payment of management fees, without being required to pay interest for late payment, if the Successful Offeror fails to submit and implement a corrective action plan in response to findings by the HPHA or if the Successful Offeror fails to demonstrate improvement in performance after implementing its corrective action plan.
2. The Successful Offeror shall repair damages caused by the Successful Offeror's equipment or employees to existing utilities and structures, such as water lines, electric conduits, sewer lines, and buildings. If such repairs are not completed within a reasonable time, the HPHA reserves the right to purchase services for the necessary repairs from the open market and to deduct all repairs costs from moneys due or may thereafter become due to Successful Offeror. In the event money due the Successful Offeror is insufficient for this purpose, the Successful Offeror shall pay the difference upon demand by the HPHA.

## **C. Termination**

The HPHA reserves the right to terminate any Contract without penalty for cause or convenience as provided in the General Conditions.

# **IV. SCOPE OF WORK**

## **A. Management Requirements**

The HPHA's overall objectives in transferring the management responsibilities for the complex to a private management firm include, but are not limited to, the following:

1. Effectively maintaining the overall physical appearance and condition of the property, as well as the maintenance and up-keep of individual units;
2. Provide a secure living environment by implementing rules, local ordinances, and the HPHA policies to reduce or eliminate the number of incidents of crime, vandalism, rule violation and nuisance behavior;
3. Maintaining good communication between the tenants and management;
4. Encouraging tenant participation and involvement in complex activities;
5. Supporting tenant pride in the complex through improved maintenance by management; provision of swift response to tenant maintenance and emergency maintenance calls;

7. Achieving rent delinquencies at a level of four percent (4%) or below; and
8. Achieving a good community image and encourage community involvement in support of the complex.

The Successful Offeror shall abide by the requirements as specified herein, comply with all instructions relating to the management, rental and maintenance of the complex that may be issued from time to time by the HPHA and adhere to all operating policies that have been or may be adopted and promulgated by the HPHA.

With respect to new instructions and policies, the Successful Offeror shall have the opportunity to submit recommendations to the HPHA prior to their issuance or adoption or to recommend subsequent changes as appropriate.

**B. Administrative Requirements & Qualifications (Minimum requirements)**

**1. Management Representative**

- a. The Successful Offeror, with the concurrence of the HPHA, shall hire a responsible employee who will be available during normal HPHA operating hours (Monday thru Friday 7:45 a.m. to 4:30 p.m.), except holidays observed by the Hawaii state government, as a point of contact for residents and the HPHA to respond to tenant concerns, supervise staff, enforce house rules, inspect the housing units and encourage tenant organization and participation.
- b. The HPHA's Contract Administrator will submit a monitoring report to the Successful Offeror's management representative. The monitoring report will document discrepancies or contract violation(s) which need correction. These discrepancies or Contract violation(s) must be corrected by the time periods provided.
- c. The Successful Offeror shall be solely responsible for adequate communication between its staff regarding Contract terms and conditions.
- d. The Successful Offeror shall ensure adequate/appropriate representation at regular meetings with the HPHA. At this time, the HPHA anticipates quarterly meetings with the Successful Offeror's contact person who will be responsible for oversight of Contract performance.

**2. Personnel**

- a. The Successful Offeror shall ensure that all personnel meet the minimum qualifications, including licensing and experience requirements, as appropriate.

- b. All staff training (e.g., training required to ensure that the minimum services are provided in compliance with State/federal laws, rules, regulations) shall be the responsibility of the Successful Offeror. However, should any specific or extraordinary training be required of the Successful Offeror, the HPHA may require attendance at no cost to the Successful Offeror.
- c. The Successful Offeror shall be solely responsible for the behavior and conduct of their employees or agents on the HPHA property. Supervision and performance evaluation shall be the responsibility of the Successful Offeror. The HPHA shall be provided with access to performance evaluations, upon request, for the purposes of monitoring.
- d. The Successful Offeror shall ensure that no personnel employed under this Contract has been convicted of selling, dealing, or using any illegal substance.
- e. The Successful Offeror shall ensure that all information, documents, or materials viewed, discussed or provided to personnel with regards to the housing tenant(s) shall be treated as confidential. Personnel shall refrain from providing confidential information to the tenants and the general public without express written consent of the HPHA by policy, rules or letter.
- g. During the performance of this Contract, the Successful Offeror agrees not to discriminate against any employee or applicant. The Successful Offeror will take affirmative action to insure that the Successful Offeror's employees are treated equally during employment. Such action shall include but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Successful Offeror shall insert provisions similar to the foregoing in all subcontracts.

### **3. Administrative Policies**

The Successful Offeror shall maintain its own written policies, that at a minimum, address the following:

- a. Drug Free Workplace Policy;
- b. Sexual Harassment Awareness in the Workplace Policy;
- c. Non-Violence in the Workplace Policy;
- d. Standards of Conduct;
- e. Fair Housing; and
- f. Americans with Disabilities Act.

The Successful Offeror shall maintain evidence that all staff were adequately informed of their requirements and obtain their agreement to comply with said policies. The Successful Offeror shall be solely responsible for the conduct of their employees and for their compliance with its administrative policies.

#### **4. Reporting Requirements**

The Successful Offeror shall be responsible for the timely submission of the following reports:

- a. Monthly Certification & Application For Rental Assistance Payments; and
- b. Annual Low Income Tax Credit.

The HPHA may request additional reports as follows:

- a. Progress reports on the implementation of corrective action plans;
- b. New programs mandated by the State; and/or
- c. Special requests in response to inquiries from other government agencies, including the State Legislature.

#### **5. Accounting and Fiscal Services**

The Successful Offeror will perform the following fiscal services for the complex:

- a. Maintain a Tenant Accounting System for all transactions including rents, security deposits, and maintenance charges and keep a running balance on each account;
- b. Maintain a cash and disbursement register to record operating receipts and disbursements;
- c. Submit monthly accounting reports to the HPHA by the fifth (5<sup>th</sup>) business day of each month for the prior month reports to include: cash receipts and disbursements with copies of invoices, delinquencies, vacancies and project operating account and reserve account balances;
- d. Develop a proposed annual operating budget for the HPHA approval, using a format as specified by the HPHA. Furthermore, the Successful Offerors's operations shall conform to the approved operating budget during the term of this Contract;
- e. Bill tenants monthly and maintain tenant ledgers with records of all accounting transactions, including security deposits and maintain a running balance on each account;

- f. Make appropriate charges for damage to any unit by inspecting such unit with the tenant prior to vacating, deducting charges from the security deposit, billing the tenant or refunding the security deposit;
- g. The Successful Offeror may request to purchase from sources presently used by the HPHA, as indicated in writing from time to time, except when authorized to use other sources;
- h. Coordinate the subcontracting of the HPHA approved services to the complex following the State procurement rules and regulations;
- i. Pay expenses for the complex operations from the operating account established by the HPHA;
- j. Ensure that all payments for goods/services received are made within thirty (30) days of receipt of invoice;
- k. Make all payments of salaries, wages, benefit contribution, and payroll taxes to or on behalf of complex staff, and maintain all payroll records. Reimbursement of such items shall be made from the operating account;
- l. Submit monthly Certification & Application For Rental Assistance Payments to the Hawaii Housing Finance and Development Corporation (HHFDC);
- m. Submit for approval a monthly invoice for management fees to the HPHA prior to payment from the operating account;
- n. Maintain a detailed listing of the complex's fixed assets;
- o. Respond to findings of any independent, HHFDC, or HPHA audit of the complex by submitting a corrective action plan and implementing the plan, if applicable;
- p. Create any or all new recording forms to provide informational and support data required by the HPHA, in such a manner that all input will be easily transferable to the HPHA reporting and recording forms or that shall be otherwise acceptable to the HPHA;
- q. Provide additional data requested by the HPHA utilizing current staff and personnel power. Special studies or surveys requiring pertinent expertise requested by the HPHA shall not be deemed additional data; and
- r. Make all records concerning the complex available to the HPHA, during normal business hours, as requested.

## **6. Office Space, Equipment, and Supplies**

All items shall be used and accounted for as follows:

- a. For the purpose of managing the complex, the Successful Offeror shall be permitted to use any designated office space and maintenance, office, or other equipment assigned for express and specific use at the complex. All property belonging to the HPHA and located at the complex shall be under the custody and control of the Successful Offeror at all times. The Successful Offeror shall accept full responsibility for all equipment, normal wear and tear excepted. The Successful Offeror shall be fully responsible for stolen equipment or items when it is due to the Successful Offeror's negligence, such as the failure to properly store and secure the HPHA property.
- b. The Successful Offeror shall replace any consumable supplies in the current inventory of the complex. The Successful Offeror may forego the replenishment of supplies that are inventoried in excess of the reasonable needs of the complex's operating budget as developed by the Successful Offeror and as approved by the HPHA.
- c. The Successful Offeror shall conduct an annual physical inventory of all equipment, materials and supplies located at the complex; or upon twenty-four (24) hour notice, the HPHA, may conduct an inventory audit at the complex.

## **D. Property Management Services**

### **1. Rules and Regulations**

The Successful Offeror shall perform the basic property management functions (i.e., enforcing all covenants and conditions of the Rental Agreement) and the following minimum services:

- a. The Successful Offeror shall develop and/or revise Project Rules specific to the complex and/or the complex's needs, utilizing the Rental Assistance Program's Rental Agreement. The Successful Offeror shall be responsible to ensure communication with tenants and the tenant association, as appropriate, on proposed changes to the Project Rules.
- b. The Successful Offeror shall post notices of and enforce all rules and regulations pertaining to the complex. The Successful Offeror shall ensure that rules and regulations are provided to tenants with language barriers upon request.



- c. The Successful Offeror may be asked to assist the HPHA to conduct public meetings or hearings approximately twice a year, including but not limited to, issuing/ coordinating notices, securing meeting facilities, serving as hearing official, recording meeting minutes, providing recommendations, and other related duties.
- d. The Successful Offeror shall follow-up on delinquent rent and other tenant charges in compliance with HPHA rules and procedures. Delinquencies shall be maintained and/or improved to a level of four percent (4%) or below ;
- e. Manage, maintain, administer and coordinate the use of the community rooms, spaces and all common yard areas. The Successful Offeror shall be permitted, subject to the HPHA approval, to use the complex's community activity facilities and other non-dwelling space for their intended purposes, in accordance with policies and regulations established by the HPHA; provided no permit, lease or written agreement covering use of such space shall be for a period beyond the term of their Contract.

The HPHA shall not be responsible for the loss or theft of any property owned by an agency permitted to use non-dwelling space in the complex area. The Successful Offeror shall review periodically and keep current a listing of agencies and organizations using the HPHA space. The listing should include space assigned, name and purpose of organization and program(s) carried out at the complex. The listing shall be made available to the HPHA upon request.

- f. The Successful Offeror shall be responsible to obtain prior written approval from the HPHA to use dwelling units for non-dwelling purposes.

## **2. Application, Selection and Placement**

The Successful Offeror shall determine the eligibility of the applicants for housing, in compliance with all applicable Internal Revenue (IRS) Low Income Housing Tax Credit (LIHTC) program and HHFDC Rental Assistance Payments (RAP) program Rules and Regulations. See Attachment 18 or at [www.spectrumlihtc.com](http://www.spectrumlihtc.com). The Successful Offeror shall develop a Tenant Selection Plan for the HPHA's approval and shall submit updates as required. The Successful Offeror shall certify compliance with Title VI of the Civil Rights Act of. The Successful Offeror shall also be responsible for providing the following services:

- a. Solicit, accept and process applications from applicants for eligibility determination;
- b. The Successful Offeror is responsible for marketing the complex:

- c. Screening and selection of tenants in conformance with the LIHTC, RAP and the Fair Housing Law (Title VIII of the Civil Rights Act of 1968),
- d. Processing of applicants for placement on a timely basis in order to limit vacancies to a level of no higher than three percent (3%). Individual units are to be re-rented within twenty (20) days;
- e. Conducting and documenting a unit inspection with new tenants prior to or at the time of placement in order to establish the condition of the unit and furnishings; and,
- f. Orienting new tenants to rules and regulations, financial responsibilities, facilities and services available.
- g. Maintain a tenant file with pertinent information on eligibility, family composition, including a list of family members residing in each unit, and other required information.
- h. Turn over keys and maintain the key registry. The property manager must be bonded for the handling of resident's keys and for entering units when residents are not present.

### **3. Income Recertification**

The Successful Offeror shall perform the following services:

- a. Conduct a recertification of tenant eligibility and RAP subsidy determination within 12 months of the previous certification and interim certifications, when required, in accordance with the programs' policies and procedures. The LIHTC and RAP certification and eligibility regulations generally follow the HUD Section 8 Multifamily program found in HUD Handbook 4350.3 Rev. 1;
- b. A supervisor shall review five percent (5%) of all recertifications conducted and submit a monthly log to HPHA staff. The Successful Offeror's staff shall correct or adjust any part of the recertification as requested by HPHA. See Attachment 3;
- c. The Successful Offeror shall adjust tenant rent in accordance with the RAP policies and procedures upon completion of the tenant recertification ;
- d. Evaluate eligibility status and update income and rent charges on each tenant's record on recertification dates as established;

- e. Advise the tenant of any changes in eligibility status resulting from recertification and provide 45 days written notification of changes in rent or serve written notification to vacate to the tenant, due to an ineligibility finding; and
- f. Make appropriate adjustments in rent charges when tenant reports changes of family income and/or composition.

#### **4. Vacates and Move Outs**

The Successful Offeror shall be responsible for ensuring the smooth transition for tenants moving out of the complex and provide the following services, at a minimum:

- a. Conduct a vacate inspection with the tenant present to inspect the unit and collect from the tenant the keys to the unit.
- b. Conduct a final unit assessment and acknowledge any deficiencies that may require correction, following proper work order procedures, and address those within three (3) working days.
- c. Ensure the proper documentation is completed and filed, and a vacant unit is filled within required time frames.
- d. Ensure that units that are abandoned are properly assessed and referred as appropriate, using the date the abandoned unit was discovered as the first (1<sup>st</sup>) day of vacancy.
- e. Manage unit vacancies, move outs, and abandoned units at the complex in compliance with the terms of Chapter 521 HRS, Landlord-Tenant Code.

#### **5. Tenant Defaults, Lease Terminations and Evictions**

Upon finding a tenant to be in default or in violation of any covenant, condition, provision, rule or regulation of the Lease or pertaining to the complex, the Successful Offeror shall proceed as follows:

- a. A written notice of default ("Notice of Default") stating the nature of the default or violation and the specific facts shall be served to the tenant and a copy maintained in the tenant's record. The notification of default shall contain a demand for curing the violation within the stated period of time, which shall be in the case of:
  - 1. Failure to pay rent, fourteen (14) days from receipt of Notice of Default;

2. Creation or maintenance of a threat to the health or safety of other tenants, or the Successful Offeror's affiliates and/or employees, a reasonable time commensurate with the urgency of the situation; and
  3. In all other cases, thirty (30) days from receipt of the Notice of Default.
- b. The Successful Offeror shall institute Lease termination and eviction proceedings for failure to cure the default within the stated period of time in the Notice of Default or in accordance with arrangement made pursuant to the informal meeting;
1. The determination to terminate shall not be for reasons other than:
    - a) Serious or repeated violations of material terms of the covenants and conditions of the Lease, project rules and regulations;
    - b) Failure to make payments due under the Lease;
    - c) Failure to fulfill tenant obligations as set forth in the Lease; or
    - d) Other good cause.
  2. The Successful Offeror shall file or cause to be filed with the District Court, a complaint to terminate the Lease in accordance with Chapter 521 HRS, Landlord Tenant Code
  3. The appropriate Successful Offeror's staff shall be available as an HPHA witness at scheduled proceedings,
- c. The Successful Offeror shall comply with all other requirements for Lease terminations and evictions that are or may hereafter be required by law, and the HPHA rules.

## **6. Maintenance**

- a. The Successful Offeror shall ensure that maintenance staff is capable of providing minor repair and preventive maintenance for the complex. The current wage rates and position class specifications for maintenance workers are included as an attachment and are available at <http://www.hawaii.gov/hrd/main/eccd>. It is the sole responsibility of the Successful Offeror to ensure that maintenance staff is qualified and properly trained.

- b. The Successful Offeror shall maintain a work order system and ensure that maintenance staff is capable and properly trained in the work order procedures for opening and closing of work orders, prioritization and timely response.
- c. The Successful Offeror shall cause the complex to be maintained and repaired at all times, in a condition acceptable to the HPHA and in accordance with local and state codes, and in accordance with the budget and Maintenance Plan including but not limited to providing routine and emergency/ urgent repairs, renovating vacant units and providing preventive maintenance services for the units and its equipment, as well as providing grounds maintenance for the common areas.
- d. If the Successful Offeror fails to maintain and repair units on a timely basis, the HPHA reserves the right to inspect and closely monitor the Successful Offeror's activities and efforts to maintain and repair units. The Contract may be required to submit additional reports until the HPHA is satisfied that the Successful Offeror is fulfilling its obligation to maintain units.
- e. The Successful Offeror shall respond to requests for services as follows:
  - i. Routine maintenance services within two (2) working days from the date of such request;
  - ii. Emergency/urgent maintenance services no later than four (4) hours from the time of such request (seven (7) days a week, twenty four (24) hours each day) and abate within twenty four (24) hours;
- f. The Successful Offeror shall maintain the grounds and all common areas of the complex, to include entries, thoroughfares and lobbies, which shall be kept clean at all times. The Successful Offeror shall make certain parking area surface is maintained in good condition, defined as free from need of repair, and free from derelict and or abandoned vehicles;
- g. The Successful Offeror shall rehabilitate and clean vacated units to a marketable condition so that the unit is **ready for occupancy and leased** within twenty (20) days from the date the tenant vacated.
- h. Units that are considered uninhabitable and require substantial renovations/construction, shall be referred to the HPHA within seven (7) working days of the final unit assessment/inspection. All referrals to the HPHA shall be submitted through the designated Contract Administrator.
- i. The Successful Offeror shall coordinate all garbage and refuse disposal and collection, County or private, and maintain all refuse areas, enclosures

and receptacles in a clean condition and in accordance with local, state, and federal fire, safety and health codes.

- j. The Successful Offeror shall conduct an annual inspection of every unit, major and regulated systems, and all accessible/inspectable exterior and common areas of the complex to ascertain the physical condition in accordance with the Uniform Physical Condition Standards (UPCS).
- k. The Successful Offeror shall charge tenants for maintenance work in accordance with the Rental Agreement when required work is to repair damage to such unit other than ordinary wear and tear. All charges shall be consistent with HPHA policies.
- l. The Successful Offeror shall coordinate with the HPHA and vendors the purchase of supplies and equipment as authorized and in accordance with the approved budget.
- m. The Successful Offeror shall obtain prior written approval from the HPHA for maintenance expenditures over and above those authorized in the budget and maintenance plan.
- n. The Successful Offeror shall be responsible to store necessary supplies at the Project, maintaining a perpetual inventory, available for inspection by the HPHA upon request, and store and maintain equipment at the complex, readily available for inspection, upon request by the HPHA.
- o. The Successful Offeror shall conduct extraordinary maintenance as scheduled, or as approved by the HPHA.
- p. The Successful Offeror shall implement a preventive maintenance program, performing preventive maintenance services in each unit at least once a year and perform maintenance check and correction in any unit entered during a tenant requested maintenance repair. A schedule for preventive maintenance program is to be submitted to the HPHA.
- q. The Successful Offeror shall make all additions, betterments, and replacements as requested and approved by the HPHA on a cost-reimbursable basis; whenever possible. The HPHA shall make reasonable efforts to provide plans for substantial additions, betterments, and/or replacements to the Successful Offeror for their input.
- r. The Successful Offeror shall prepare and submit monthly reports on selected maintenance operations.
- s. The Successful Offeror shall procure pest control services as needed.

## **7. Tenant Relations**

The Successful Offeror shall promote and maintain good relations with the tenants and shall perform the following services, at a minimum:

- a. Respond to all resident requests involving concerns about conditions or quality of life at the complex in compliance with the HPHA complaint procedures (i.e., grievance hearings), and resolve all significant or recurring problems;
- b. Work closely with and guide the resident association to provide a meaningful organized channel for resident community involvement and participation in complex activities.
- c. Institute and maintain informative tenant communications to advise tenants of any changes in policies, rules, regulations, or pertinent and necessary instructional bulletins (i.e., storm, fire, or hazard) regarding the complex
- d. Coordinate the use of community rooms with the resident association.

## **8. Supportive Services**

The Successful Offeror shall coordinate supportive service functions. These services, as described below include, but are not limited to, the following:

- a. Advise residents of community services and programs available within the community to meet their needs;
- b. Provide new residents with an orientation to available community services and programs to ease their transition into government assisted housing;
- c. Promote and encourage improvement of supportive services for residents by working with community agencies, organizations and tenant groups;
- d. Provide referral services to appropriate agencies to assist those tenants who are experiencing problems in money management, mental health, marital discord, child abuse, poor housekeeping, and other social problems; and
- e. Provide a tenant suggestion system which requires no signatory, to be reviewed by the Resident Association.

- f. Provide access to community facilities to community organizations and non-profit agencies that provide services that are consistent with the HPHA's mission and goals.

(END OF SECTION)



# **Section 3**

## **Proposal Forms and Instructions**

## Section 3

### Proposal Forms and Instructions

#### I. General Instructions for Completing Forms

When an interested offeror submits a proposal, it shall be considered a complete plan for accomplishing the tasks identified in this RFP. The interested offeror's proposal must demonstrate an understanding of and the ability to meet and perform all contractual requirements listed in this RFP.

The submission of a proposal shall constitute an indisputable representation by the interested offeror of compliance with every requirement of the RFP, and that the RFP documents are sufficient in scope and detail to indicate and convey a reasonable understanding of all terms and conditions of performance of the work by the interested offerer.

An interested offeror shall submit one (1) original proposal marked "ORIGINAL" and three (3) copies of the original marked "COPY." It is imperative to note that the interested offeror submit only one (1) original and the required number of copies. The outer envelope or packaging of the proposals shall be sealed and clearly marked with the RFP number and title, along with the interested offeror's name, address, telephone and fax numbers.

Any and all corrections to a proposal shall be initialed in ink by the person signing the proposal for the interested offeror. Any illegible or otherwise unrecognizable corrections or initials may cause rejection of the proposal.

Before submitting a proposal, each interested offeror must:

- A. Examine the solicitation documents thoroughly. Solicitation documents include this RFP, any attachments, plans referred to herein, and any other relevant documentation.
- B. Become familiar with State, local, and federal laws, ordinances, rules and regulations that may in any manner affect cost, progress, or performance of the work.

Proposals shall be submitted to the HPHA in the prescribed format outlined in this RFP. A written response is required for each item unless indicated otherwise.

No supplemental literature, brochures or other unsolicited information should be included in the proposal packet.

***TIP:** Interested offerors should submit their proposal with enough detail to ensure that the reader is able to fully understand their approach to management and maintenance. A good test is to give the proposal to someone who has not written the proposal and see if they are able to get a clear picture of how the management unit will be operated.*

## **II. Proposal Forms**

- A. The proposal forms must be completed and submitted to the HPHA by the required due date and time, and in the form prescribed by the state purchasing agency. Electronic mail and facsimile transmissions shall not be accepted. Proposals submitted on compact disc (CD) or in electronic format shall not be accepted.
- B. An interested offeror shall submit its proposal under the interested offeror's exact legal name that is registered with the Department of Commerce and Consumer Affairs and shall indicate this exact legal name. Failure to do so may delay proper execution of the Contract.
- C. The interested offeror's authorized signature shall be an original signature in ink. If the proposal is unsigned or the affixed signature is a facsimile or a photocopy, the proposal shall be automatically rejected. If the proposal is not signed by an authorized representative as submitted on the corporate resolution, the proposal shall be automatically rejected.
- D. A proposal security deposit is not required for this RFP.
- E. A Transmittal Letter shall be attached to the proposal. The Transmittal Letter shall be in the form of a standard business letter on official business letterhead and signed by an authorized representative. The Transmittal Letter must include:
  - 1. A statement indicating that the interested offeror is a corporation or other legal entity and the taxpayer identification number of the legal entity.
  - 2. A statement that the interested offeror is or will be registered to do business in Hawaii and will obtain a State General Excise Tax License by the start of the work.
  - 3. A statement acknowledging and identifying that all addenda to this RFP issued by the HPHA have been received by the interested offeror. If no addenda have been received, a statement to that effect should be included.
  - 4. A statement that the interested offeror has a valid State of Hawaii Real Estate Broker's license and the number and date of that license.
- F. The numerical outline for the application, the titles/subtitles, and the interested offeror's organization and RFP identification information on the top right hand corner of each page should be included.
- G. Page numbering of the Proposal Application should be consecutive, beginning with page one and continuing through the complete proposal.
- H. Proposals may be submitted in a three ring binder (optional). Tabbing of sections is required.

### **III. The Proposal Application comprises the following sections:**

- *Title Page*
- *Table of Contents*
- *Background and Summary*
- *Experience and Capability*
- *Personnel: Project Organization and Staffing*
- *Management Plan*
- *Financial*
- *Other*

#### **A. Background and Summary**

This section shall clearly and concisely summarize and highlight the contents of the proposal in such a way as to provide the HPHA with a broad understanding of the entire proposal. Include a brief description of the interested offerors' organization, the goals and objectives related to the service activity, and how the proposed service is designed to meet the need identified in the service specifications.

#### **B. Experience and Capability**

The HPHA is requiring that the interested offeror have a minimum of three (3) years experience in property management and two (2) years experience in managing a multi-family residential management unit of at least 15 units serving a similar residential clientele. The Successful Offeror shall be experienced in the management of affordable housing projects. Knowledge and expertise of various programs, including but not limited to, the Low Income Housing Tax Credit program, will be necessary to operate the complex.

##### **1. Necessary Skills and Experience**

The interested offeror shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the delivery of the proposed services. The interested offeror shall also provide a listing of verifiable experience with projects or contracts for the most recent five (5) years that are pertinent to the proposed services.

##### **2. Quality Assurance and Evaluation**

The interested offeror shall describe its quality assurance and evaluation plans for the proposed services, including methodology. Evaluation plans must include client surveys as appropriate.

##### **3. Coordination of Services**

The interested offeror shall demonstrate the capability to coordinate services with other agencies and resources in the community.

**5. Resolution of Property Management Issues**

Interested offerors must provide documented evidence that, during the last two (2) years immediately prior to the deadline for receipt of proposals, the interested offeror has successfully performed duties substantially similar to the requirements as stated in Section 3, Scope of Work and Specifications, of this RFP. Emphasis should be given to past performance reflecting problem resolution activities with property owners/residents. The HPHA reserves the right to verify the documented experience directly with the owner contact person as submitted in the proposal.

Only information that is submitted directly to the HPHA in the proposal package will be considered unless HPHA seeks additional information during the evaluation process.

The HPHA reserves the right to review and consider the past performance the interested offeror may have had with the HPHA.

**C. Personnel: Project Organization and Staffing**

**1. Proposed Staffing**

The interested offeror shall describe the proposed staffing pattern, tenant/staff ratio. Refer to the personnel requirements in the Service Specifications, as applicable.

**2. Staff Qualifications**

The interested offeror shall provide the minimum qualifications, including experience, for staff assigned to the program. Describe the knowledge and experience of your proposed property manager and/or staff, including the day-to-day management. **Attach resumes and relevant professional background/experience of each staff position.**

**3. Supervision and Training**

The interested offeror shall describe its ability to supervise, train and provide administrative direction relative to the delivery of the proposed services.

**4. Organization Chart**

The interested offeror shall reflect the position of each staff and line of responsibility/ supervision; include position title, name and full time equivalency. Both the "Organization-wide" and "Project" organization charts shall be attached to the Proposal Application.

#### **D. Management Plan**

This section should summarize the interested offeror's management philosophy and overall approach to the management of the property. The plan should also address the tasks required under this RFP and must demonstrate the interested offeror's understanding of the service required.

The interested offeror must provide a detailed work plan for accomplishing the administrative management, and maintenance duties required for the complex. The work plan should describe how the complex will be operated on a day-to-day basis. Failure to address all requirements of the Scope of Work may be cause for the proposal to be determined non-responsive and rejected.

The management plan must address the following services at a minimum:

1. **Administrative Requirements**  
Describe in detail how vacancies in personnel will be handled to ensure delivery of services are maintained satisfactorily, staff are qualified, capable and properly training of providing the services requested.
2. **Re-Examinations, Rent Collection and Tenant Account Receivables**  
Describe in detail how re-examinations, rent collection, and tenant account receivables for each complex will be handled to ensure delivery of services are maintained satisfactorily. Additionally, based on the current delinquent rate, describe in detail how the four percent (4%) delinquency rate will be attained and maintained. Include actions to be taken, responsible parties, and timelines for implementation.
3. **Unit, Common Area & Grounds Maintenance**  
Describe in detail how annual unit inspections, and unit, common area and grounds maintenance for each complex will be performed satisfactorily. Include actions to be taken, responsible parties, and timelines for implementation.
4. **Unit Turnover**  
Based on the current unit turnover rate, describe in detail how the three percent (3%) vacancy level and the twenty (20) day unit turnover will be attained and maintained. Include actions to be taken, responsible parties, and timelines for implementation, quality control.
5. **Work Order System**  
Describe in detail how unit repair and maintenance work orders will be accurately recorded and closed out for the complex. Include actions to be taken, responsible parties, and timelines for implementation.

6. **Routine and Preventive Maintenance**  
Describe in detail how routine and preventive maintenance will be addressed on a timely basis for the complex. Include actions to be taken, responsible parties, and timelines for implementation.
7. **Utilities**  
Describe in detail how electricity and water consumption for the complex shall be monitored for unusually high usage or irregular charges. Include how staff will work with the tenants to conserve water and electricity on a regular basis.
8. **Residential Refuse Collection and Disposal**  
Describe in detail how bulky item disposal shall be addressed for the complex. Include actions to be taken, responsible parties, and timelines for implementation.
9. **Pest Control**  
Describe in detail how insect and rodent issues shall be addressed. Include actions to be taken, responsible parties, and timelines for implementation.
10. **Capital Needs Assessment and Investment Plan**  
Describe in detail a capital needs assessment and investment plan. Include actions to be taken, responsible parties, and timelines for implementation.
11. **Environment, Safety and Health Plan**  
Describe in detail an environment, safety and health plan. Include actions to be taken, responsible parties, and timelines for implementation.
12. **Resident Services and Associations**  
Describe in detail how resident services and resident associations will be addressed. Include actions to be taken, responsible parties, and timelines for implementation.
13. **Safety and Security**  
Describe your understanding of safety and security issues at the complex. Include in detail how the safety and security issues will be addressed.
14. **Procurement of Services, Equipment, and Supplies**  
Describe your understanding of how procurement of services, equipment and supplies will be addressed and how comply with State/Federal regulations. Include actions to be taken, responsible parties, and timelines for implementation.

15. **Service Interruptions**  
Describe in detail how service interruptions will be addressed. Include actions to be taken, responsible parties, and timelines for implementation.
16. **Regular Working Hours**  
Describe in detail how regular working hours will be managed.

**E. Financial**

1. **Total Management Expense Proposal**

Interested offerors shall propose a total management expense for the complex. This price will include in the interested offeror's management fee, complex site personnel salaries, including clerical, housing specialist and site management, site personnel fringe benefits, the interested offeror's insurance expense associated with managing the complex as well as all applicable federal, state and local taxes. The Successful Offeror's fee shall be a flat monthly fee. See Attachment 13 for price proposal format.

The expense proposal should not include direct postage, telephone, copying and other direct office expenses that are reimbursable by the HPHA. Mileage reimbursement for staff costs to travel to pick up equipment and supplies are also direct project expenses.

2. **Pricing Structure Based on Cost Reimbursement**

The cost reimbursement pricing structure reflects a purchase arrangement in which the State pays the Successful Offeror for budgeted costs that are actually incurred in delivering the services specified in the contract, up to a stated maximum obligation.

3. **Other Financial Related Materials**

In order to determine the adequacy of the interested offeror's accounting system as described under the administrative rules, the following documents are requested as part of the proposal application (may be attached):

- most recent financial audit

Interested offerors should also describe in a comprehensive manner the fiscal management structure, including but not limited to budgeting, fiscal controls, and accounting.



#### **IV. General Conditions**

The State of Hawaii's General Conditions are provided for the interested offeror's information and reference. See Attachment 10.

(END OF SECTION)

## **Section 4**

# **Proposal Evaluation & Award**

## Section 4

### Proposal Evaluation & Award

#### I. Proposal Evaluation

An evaluation committee approved by the Executive Director or designee will evaluate all responsive and responsible proposals. The evaluation of such proposals will be based solely on the evaluation criteria set out in this RFP. The evaluation committee's primary responsibility shall be to review the technical aspects of the proposals submitted. The price proposal review will be conducted by the evaluation committee chairperson. The review criteria will be as follows:

<b><u>Evaluation Categories</u></b>	<b><u>Possible Points</u></b>
<b>Mandatory Requirements</b>	<b>Pass or Rejected</b>
<b><i>Proposal Application</i></b>	<b>100 Points</b>
Background and Summary	3 points
<ul style="list-style-type: none"> <li>Proposals will be reviewed for overall compliance with RFP requirements.</li> <li>Up to 3 points will be awarded based on the offeror's ability to clearly and concisely summarize how the proposed service is designed to meet the need identified in the service specifications</li> </ul>	
Experience and Capability	15 points
<ul style="list-style-type: none"> <li>Proposals will be reviewed for overall compliance with RFP requirements.</li> <li>Up to 10 points will be awarded based on the extent to which the offeror clearly demonstrates their experience and knowledge, quality assurance plan, and ability to coordinate services with other agencies to provide the proposed services.</li> <li>Up to 5 points will be awarded based on the extent to which the offeror clearly demonstrates having successfully performed the proposed services.</li> <li>Interested offerors who can demonstrate at least two (2) years of experience managing federally subsidized affordable housing may receive a preference in ratings.</li> </ul>	
Personnel: Project Organization and Staffing	12 points
<ul style="list-style-type: none"> <li>Proposals will be reviewed for overall compliance with RFP requirements.</li> <li>Up to 6 points will be awarded based on the offeror's proposed staffing pattern and minimum qualifications pattern related to the delivery of the proposed services.</li> <li>Up to 6 points will be awarded based on the offeror's organization chart, ability to supervise, train, provide</li> </ul>	

Proposals shall be classified initially as acceptable, potentially acceptable, or unacceptable. If numerous acceptable and potentially acceptable proposals are submitted, the evaluation committee may rank the proposals and limit the priority list to three (3) responsive and responsible offerors who submitted the highest-ranked proposals. If there are less than three (3) acceptable or potentially acceptable proposals, the HPHA shall not be required to hold discussions with these offerors who submitted unacceptable proposals.

Discussion may be conducted with priority listed interested offerors who submit proposals determined to be acceptable or potentially acceptable of being selected for award, but proposals may be accepted without discussions. The objective of these discussions is to clarify issues regarding the interested offeror's proposal before the best and final offer, if necessary.

## **II. Mandatory Requirements**

The HPHA will conduct an initial review to ensure that all proposals meet the minimum threshold requirements. Proposals will be reviewed to ensure submittal of all required attachments, certifications, forms, and narrative sections.

Statements which indicate that mandatory certifications will be submitted upon contract award shall be unacceptable.

## **III. Financial/Price Proposal Review**

The financial/price proposal review will be evaluated for financial and contractual acceptability and for reasonableness of the price proposal. The proposal with the lowest cost factor shall receive the highest available rating allocated to cost. Each proposal that has a higher cost factor than the lowest must have a lower rating for cost.

The points allocated higher to higher priced proposals must be equal to the lowest proposal price multiplied by the maximum points available for price, divided by the higher proposal price as follows:

$$\frac{\text{Price of the lowest price proposal} \times 10}{\text{Price of the proposal being rated}}$$

In determining whether a proposal is responsive, the HPHA will evaluate the costs and its supporting documentation against realistic operational expenses.

The HPHA may also review the most recent audited statements of the Successful Offeror.

## **IV. Technical Review**

The Successful Offeror's proposal shall be in the form prescribed by this solicitation and shall contain a response to each of the areas identified that affects the evaluation factors for award.

- A. The technical proposal will be evaluated to determine if the Successful Offeror possesses the capability to successfully perform the requirements of the solicitation. The technical criteria are shown below:
1. Experience and Capability;
  2. Personnel and Staffing; and
  3. Management Work Plan.
- B. Proposals will be evaluated for technical and contractual acceptability, and for reasonableness of the cost proposal. Proposals shall be prepared in accordance with the instructions given in the RFP and shall meet all requirements set forth in this RFP.
- C. All proposals will be reviewed for reasonableness. Those offers that are not within the competitive range will be notified that their proposals are unacceptable, negotiations/discussions with them are not contemplated, and any revisions of their proposals will not be considered.
- D. Award will be made to the responsible interested offeror whose proposal, conforming to the solicitation, will be most advantageous to the HPHA, considering price and other factors indicated in this solicitation.
- Pursuant to Chapter 3-122-59 HAR, if for a given request for proposals, there is only one responsible offeror submitting an acceptable proposal, an award may be made to the single offeror, rejected and new requests for proposals solicited or canceled.
- E. The HPHA reserves the right to award a Contract on the basis of the initial offers received without discussion. Offers are solicited on an “all or none” basis. Failure to submit offers for all services listed shall be cause for rejection. Proposals should be submitted initially on the most favorable terms of a price and technical standpoint, which the interested offeror can submit to HPHA.
- F. All proposals submitted will be evaluated on the basis of the evaluation criteria listed herein. Proposals shall conform to all terms and conditions contained in the RFP. Proposals which do not conform to all requirements expressed in this solicitation may be rejected without further evaluation, deliberation or discussion.
- G. Past Performance. The HPHA will evaluate the quality of each interested offeror’s past performance. The assessment of an interested offeror’s past performance will be used as one means of evaluating the credibility of the interested offeror’s approach to work accomplishment in the management plan. A record of marginal or unacceptable past performance may be an indication that the promises made by the interested offeror are less than reliable. Such an indication will be reflected in the HPHA’s overall assessment of the interested offeror’s

proposal. However, a record of acceptable or even excellent past performance will not result in a favorable assessment of an otherwise unacceptable technical proposal.

In investigating an interested offeror's past performance, the HPHA will consider information in the interested offeror's proposal and information obtained from other sources, including past and present customers and their employees; other Government agencies, including state and local agencies; consumer protection organizations and better business bureaus; former subcontractors; and others. Evaluation of past performance is a subjective assessment based on a consideration of all relevant facts and circumstances. The HPHA will seek to determine whether the interested offeror has consistently demonstrated a commitment to customer satisfaction and timely delivery of quality goods and services at fair and reasonable prices.

The HPHA's conclusions about the overall quality of the interested offeror's past performance will be highly influential in determining the relative merits of the interested offeror's proposal and in selecting the Successful Offeror whose proposal is considered most advantageous to HPHA.

Past performance includes the interested offeror's record of conforming to specifications and to standards of good workmanship; the interested offeror's adherence to contract schedules, including the administrative aspects of performance, the interested offeror's control of costs, including costs incurred for changed work; the interested offeror's reputation for reasonable and cooperative behavior and commitment to customer satisfaction; and, generally, the interested offeror's business-like concern for the interests of the customer.

(END OF SECTION)

## **Section 5**

### **Attachments**

1. Summary of Physical Characteristics of Ke Kumu Ekahi
2. Complex Site Map
3. Sample of Various Reporting Forms
4. Sample Contract for Goods and Services Based on Competitive Sealed Proposals
5. Sample Contract – Attachment S1, Scope of Services
6. Sample Contract – Attachment S2, Compensation and Payment Schedule
7. Sample Contract – Attachment S3, Time of Performance
8. Sample Contract – Attachment S4, Certificate of Exemption from Civil Service
9. Sample Contract – Attachment S5, Special Conditions
10. General Conditions, State AG-008 Rev 4/15/2009
11. General Condition, Federal form HUD 5370-C
12. Price Proposal Format
13. Wage Certificate for Service Contracts
14. Current Wage Rates and Position Descriptions
15. Examples of Complex & Management Fee Costs
16. Instructions to Offerors Non-Construction, form HUD 5369-B
17. Certifications and Representations of Offerors, form HUD 5369-C
18. Rental Assistance Handbook
19. Competitively Sealed Proposals Application Identification Form
20. Hawaii State Government 2011/2012 Holiday Schedule